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E.O. 12958: DECL: 06/04/2018
TAGS: PREL PGOV PTER PINR FAID LE
SUBJECT: LEBANON: CARETAKER TELECOM MINISTER: 2009
ELECTIONS ARE THE REAL BATTLE

Classified By: CDA Michele J. Sison for reasons 1.4
(b) and (d).

SUMMARY

¶1. (C) Caretaker Minister of Telecommunications Marwan Hamadeh warned that the unity of Lebanon is at stake as people arm themselves against continuing violence. He admitted that March 14 was facing a difficult period, but was optimistic it could still win the 2009 parliamentary elections. Hamadeh stressed the need to form the new cabinet quickly, warning that delays would benefit the opposition and create harm within March 14. Hamadeh also warned of continuing Syrian efforts to influence the course of events in Lebanon, and Hezbollah's continuing expansion of its fiber optics network. Finally, Hamadeh shared concerns about Sunni extremism in the north. End summary.

MARCH 14 UNPREPARED FOR
VIOLENCE IN THE STREETS

¶2. (C) CDA Sison, accompanied by Pol/Econ Chief, met with caretaker Telecom Minister Marwan Hamadeh at his office on June 5. It was their first meeting at the Ministry; until recently Hamadeh normally held meetings at his home for security reasons. After briefly discussing recent discussions on telecom privatization (septel), the Charge raised recent press reports that Saad Hariri's Future Movement was threatening to suspend discussions on cabinet formation due to ongoing violence in and around Beirut. Hamadeh confirmed what Hariri advisor Ghattas Khoury had told the Charge just prior to the meeting, that March 14 knew the names of the Amal perpetrators of the June 3 attack on a Hariri supporter. Saad was right in insisting that the first condition for implementing the Doha agreement was a return to normalcy in the streets and a stop in the use of weapons, he said, but people are still begin beaten and no one is doing anything.

¶3. (C) Hamadeh relayed that he had removed the private Shia security company that protected his Ministry and replaced them with his own people. Beirut had suffered a great deal, he said, and would never be able to defend itself. The Lebanese Armed Forces (LAF) is impotent, he complained, "There is no army or Internal Security Forces (ISF)...Every home has been transferred into an arms depot." In the minds of the people, every town needed to secure its own defense, a "very dangerous" development, Hamadeh continued, in which "the unity of the country is at stake." March 14 had failed to see this coming and was not prepared to contain the violence. Druze leader Walid Jumblatt had tried to preserve

his Chouf region and protect the Christians there, but in the end it was the people themselves who defended themselves against the Shia attackers.

MARCH 14 DOWN BUT NOT OUT

¶ 4. (C) March 14 is depressed by the attitude of its leaders, Hamadeh acknowledged; these were difficult times for March 14, but the coalition's attitude would dictate how others react, as had happened during the 2005 Cedar Revolution. We lost the battle long before Doha, he added. Saad blamed the U.S. and its "chaotic" approach to Lebanon and the Middle East, veering from hot to cold. However, Hamadeh did not blame the U.S., but instead March 14 and its misuse of Arab funds for March 14's quick collapse during the recent crisis.

Saad had been spending his money unwisely, Hamadeh explained (hinting that Saad had used Saudi money to "turn people into militias"), when he should have used it to buy up land in the north and the road south of Sidon. Instead, Hizballah now controls the roads leading through Jezzine to the Chouf, a strategic area that was used by the Israelis in the 1982 invasion, he said.

¶ 5. (C) Nevertheless, March 14 still has the stamina and public support to win the real battle, the 2009 parliamentary elections, Hamadeh insisted. But if we lose, then we will have the Syrians back in Lebanon, he warned.

FORM CABINET QUICKLY

¶ 6. (C) Referring to President Sleiman's recent comments that he might delay the new cabinet's presentation of its ministerial statement ("bayan wizari") to parliament to allow National Dialogue discussions to take place on sensitive issues such as Hizballah's arms, Hamadeh warned that any delays risked collapsing the entire structure of Doha, especially if more security incidents occurred. It would be dangerous to delay, he repeated, adding that this would only give the opposition more concessions.

¶ 7. (C) Hamadeh was confident caretaker Defense Minister Elias Murr would stay on as one of President Sleiman's three ministers. Noting press reports that claimed the U.S. was insisting on Murr as Defense Minister, Hamadeh said caretaker Foreign Minister Salloukh now was saying that no diplomats should talk to any political figures without going through the MFA. This is the "Syrian system!" he protested, "We are going back to the Syrian mindset." Or perhaps some never left, the Charge added dryly.

¶ 8. (C) Hamadeh claimed the Telecom Ministry was a "red line" for Walid Jumblatt, adding that symbolically it was as important as Defense. The opposition reportedly had offered to give March 14 the Ministry of Energy in exchange for Telecom, which Hamadeh dismissed as an attempt to give a "bankrupt" ministry in exchange for one that was a major revenue provider.

¶ 9. (C) Commenting on Saad's decision to exclude independent Tripoli MP Mosbah Ahdab from the next cabinet, Hamadeh explained that Saad had to take care of the two Tripoli-based "wings" of his bloc, one associated with (caretaker Transportation Minister) Mohamed Safadi and the other with Future MP Samir Jisr, leaving no room in the cabinet for Ahdab. He added that he had been warning Saad for days not to allow discussions over portfolios to cause people to "lose feathers" here and there. It would be a pity for arguments over portfolios to harm March 14 unity; it's not important who is in the cabinet, he said. (Note: Hamadeh is not expected to receive a seat in the next cabinet. End note.)

SYRIAN SHENANIGANS

¶ 10. (C) Hamadeh dismissed rumors of an upcoming visit by

President Sleiman to Syria, saying he would not travel outside Lebanon until the cabinet was formed. Hamadeh deemed Sleiman "a decent man, full of good will, a good Lebanese who is realistic about the limits of his power." He believed Nazim Khoury would be Sleiman's top advisor (which we have also heard from other sources close to Sleiman), but that Khoury was no "deus ex machina." Maybe it's better that way, he suggested; then he can make up his own mind.

¶11. (C) Hamadeh questioned whether Syria really wanted to see Doha implemented in its entirety, or were trying to delay cabinet formation until after French President Sarkozy's June 7 visit, instead linking it to a visit by Syrian President Bashar Asad. Hamadeh relayed that Jumblatt intended to publish a harsh statement against France in his party's weekly magazine, and had wanted to boycott President's June 7 lunch in honor of Sarkozy, but Hamadeh had succeeded in convincing him that this would be seen as a boycott of Sleiman instead.

¶12. (C) Hamadeh shared a Le Figaro article one of his aides brought in during the meeting that claimed Syrian Military Intelligence Chief General Assef Shawkat had been placed under house arrest, noting that that Asad probably was trying to send a sign that he was opening up to the international community.

HIZBALLAH FORGING AHEAD
WITH FIBER OPTICS NETWORK

¶13. (C) Asked whether Hizballah had removed the airport surveillance that had led to the May 7 takeover, Hamadeh said it had "pretended" to take the cameras away, but that it was forging ahead with its fiber optics network into areas like Zgharta in north Lebanon. If Hizballah had its way, privatization of the telecom sector would result in Iranian ownership, he said half-jokingly.

¶14. (C) Hamadeh, apparently distancing himself from the May 5 cabinet decisions calling for the dismantling of the network and the removal of the security cameras at the airport by noting that he was in London at the time, admitted that the timing of the decision might have been miscalculated. Jumblatt had planned to fly to Cairo through the airport and viewed the surveillance as a direct personal threat, Hamadeh explained. For the next two to three weeks the Druze leader reportedly was depressed because he felt he personally had provoked the ensuing violence, but was now of the philosophy that perhaps he had only precipitated events that were going to happen anyway.

¶15. (C) Jumblatt never believed that either Saad's Future Movement or the LAF would collapse so quickly facing the Hizballah threat. Hamadeh also remarked that Former PM Rafiq Hariri had taken a "soft approach" in confronting Hizballah, Hamadeh continued, and had been successful until he threatened Hizballah with UNSCRs 1701 and 1559, for which they killed him.

MOBILE LICENSE PRIVATIZATION:
NOW IS NOT THE TIME;
WAIT UNTIL NEW CABINET IS IN PLACE

¶16. (C) Hamadeh warned that discussing mobile telephone license privatization now risked making it become a controversial topic in the run-up to cabinet formation. The issue is "tearing the Ministry apart" he said, and should not be part of political negotiations. The government should emphasize the "liberalization" of the sector rather than "privatization," because Speaker Berri would say the latter requires a new law (an argument he has used in the past to prevent what he viewed as the then illegitimate Siniora government from taking action on privatization). The reality, Hamadeh stressed, is that we already have a telecommunications law and privatization of the mobile phone network has been an IMF benchmark for a long time. Hamadeh

said allowing the opposition to have the Telecom portfolio in the next cabinet was a "red line," though in a subsequent meeting with Pol/Econ Chief, Druze MP Wael Abu Four (who is expected to get one of Progressive Socialist Party leader Walid Jumblatt's three ministerial seats) denied this, laughing that it was a "green line."

CONCERNED ABOUT
EXTREMISM IN THE NORTH

¶17. (C) Hamadeh agreed that Saad needed to focus on the north to counter extremist tendencies in the impoverished region. Residents there were asking Saad for weapons instead of money. They feel a need to establish a "balance of terror," he explained, to guard against Hizballah and extremists who "can do whatever they want."

¶18. (C) Noting that a member of Jama't al-Islamiyah (labeled "a more moderate wing" of the local Muslim Brotherhood by Hamadeh, who also called them "soft extremists") had visited him the day before, Hamadeh suggested that the group, after flirting with Hizballah for a long time, now was looking for allies in people like Bahia Hariri (Saad's aunt, an MP in Sidon). This could help Bahia win, he said, and Saad needs their support to counter more extremist Sunni elements.

SISON